

Instructional Materials for Miller Trusts

This information is intended to be educational and is not legal advice. Persons that need legal advice or information on Miller trusts are encouraged to consult an attorney.

Step 1: Determine whether you need a Miller trust (sometimes called a “Qualified Income Trust” or “QIT”) to remain eligible for Medicaid. In 2014, if your income is more than \$2,199 per month (amount effective January 1, 2015) you will need a Miller trust, if your income is not more than \$2,199 you do not need to establish a Miller trust to maintain eligibility in 2015. The income level where you will need a Miller trust will change annually. Types of income counted include:

- Gross unearned income,
- Gross earned income,
- Net self-employment income, or
- Net rental income.

Gross income means income before any deductions that happen before the individual receives the income. Examples of these deductions would be income taxes or payment of Medicare premiums. Net income means income after accounting for deductions and expenses that resulted in that income.

Step 2: Draft a trust document or use the Miller trust template provided by Indiana Medicaid.

To be a valid Miller trust, the document must meet certain requirements:

- The trust must be irrevocable, meaning that it is permanent and cannot be reversed.
- The trust must state: “Upon the death of the beneficiary, the trust assets shall be paid to the Medicaid agency of the State of Indiana up to the total amount of the Medicaid payments made on behalf of the beneficiary.”
- The money placed in the trust must consist of income only.
- No other property can be placed in the trust. The only exception is for interest earned on the income placed in the trust.
- The trust must be properly executed, by having signatures on all the appropriate lines.

The Miller trust template provided by the State of Indiana meets these requirements. However, because a trust document is a legal document with legal consequences, it is a good idea to consult an attorney.

Step 3: Set up a Miller trust account with a bank or credit union where income is deposited on a monthly basis.

- The trust account can be established with your Social Security Number.
- The trust account must contain only income. It cannot contain other property.
- Some financial institutions may require a small deposit as initial funding. However, it is best to deposit the amount of your monthly income that is greater than \$2,199 (amount effective January 1, 2015) into the trust account monthly.
- Make arrangements to deposit income on a monthly basis to the Miller trust account.

Step 4: Send the trust document, account information, and proof that arrangements have been made to deposit income on a monthly basis to FSSA. With this documentation include your contact information and Medicaid member number. There are three ways to do this:

- Fax to 1-800-403-0864
- Mail to: Family and Social Services Administration
P.O. Box 1810
Marion, IN 46952
- Bring in the physical documents to a local FSSA Division of Family Resources office.

If faxing or mailing the information, it is highly encouraged to send the trust information with the case's bar coded coversheet through the FSSA Benefits Portal. To obtain the coversheet:

- Access the FSSA DFR Benefits portal at: <http://www.in.gov/fssa/dfr/2999.htm>
- Click on 'Check Status / Report a Change / Proof of Eligibility' link
- Click on 'Check Status / Print Proof of Eligibility' link
- Provide Case Demographic Information
- Click on 'Print Bar coded Cover Sheet' link

Step 5: Maintain your Miller trust by depositing at least the amount of your monthly income that is over \$2,199 (amount effective January 1, 2015) each month. Your countable monthly income as described in Step 1 minus \$2,199 equals the amount you should place in the trust each month. If your income varies the amount you deposit into the trust on a monthly basis may change. You will be required at your annual redetermination to provide proof that monthly income in excess of the special income limit has been deposited into the Miller trust. Failure to maintain the trust may result of loss of Medicaid eligibility. In addition to maintaining the Miller trust, you must continue to meet all other Medicaid eligibility criteria to remain eligible for Medicaid.